

TOPIC: OVERVIEW OF PERFORMANCE CONTRACTS

PREPARED BY: VICKI A. LEAL

I. SUMMARY

The purpose of this report is to provide information on the status of Colorado's public institutions' compliance with specific requirements of their respective performance contracts. The report also provides a description of the institutions' current and future performance contract requirements. Information in this report was provided to the Department of Higher Education (DHE) by institutions in response to SB 04-189.

As stated in C.R.S. 23-5-129(1)(c)(I-IV), the specified procedures and goals set forth in the performance contracts shall be measurable and tailored to the role and mission of each institution that is under the direction and control of the governing board, and may include, but shall not be limited to: improving Colorado residents' access to higher education; improving quality and success in higher education; improving the efficiency of operations; and addressing the needs of the state. These goals have provided the conceptual framework for the contracts and contract reporting, data gathering and analysis. The framework will also be utilized for the undertaking of the 2010 review of the performance contracts.

Additionally, please note that the following *types* of questions will also be utilized by DHE staff as they analyze the contracts and facilitate the review process. The ultimate outcome of the review process will be to respond to the question of whether or not the state was successful in reaching its goals (per statute) with the implementation and facilitation of the institutional performance contracts:

1. Were the mechanisms created for reporting in the Performance Contracts effective; did the Contracts achieve what they were intended to achieve?
2. How was each goal/section of the Performance Contract carried out?
3. Were the goals/benchmarks established at your institution achieved?
4. If you achieved your institutional goals, please describe how you achieved them.
5. If you did not achieve your institutional goals, please describe why.
6. How did your institution choose the goals listed in your Performance Contract?
7. Was there collective institutional consensus and agreement around your chosen goals?
8. Did your institution comply with the reporting requirements of your Performance Contract?

II. BACKGROUND

In 2004, as part of the College Opportunity Fund or COF program, (SB 04-189, tuition stipend program), Colorado created an alternative to traditional state regulation of higher education

institutions. Previously, Colorado institutions operated under a system of accountability that employed the Quality Indicator System. In 2004-2005, with COF and its implementation, colleges and universities could choose to remain under the old, more intensely regulated program of accountability, or to sign a performance contract that would set out how the institution would meet its state goals in return for the state easing much of its regulatory oversight. Every public institution in the state opted for the new performance contract.

The contracts were all termed to expire in 2009. In recognition of the impending strategic planning process, the CCHE and the institutions entered into agreements to extend the contracts, in their entirety, for an additional 16 months, expiring on June 30, 2011.

III. STAFF ANALYSIS

See Report
See Attachment A
See Attachment B

STATUTORY AUTHORITY

The DHE is charged, in section 23-5-129(2) C.R.S., to report annually to the Governor and General Assembly on the progress made towards the goals set forth in each public institution's performance contract, (the DHE does not report on the private, independent institutions' contracts. To accomplish this, performance contracts contain reporting requirements specific to each governing board.

To assist governing boards and institutions in the reporting of data to demonstrate compliance with performance measures, DHE staff prepared reporting guidelines with templates for written reports and reporting calendars. Hard-copies of the guidelines were provided to governing board chairs, presidents and vice-presidents of academic affairs in 2005. The performance contract guidelines and the corresponding data and reports do not replace or revise any existing data or reports currently collected by the DHE except as provided for in the performance contracts. All information on the status of each public institution's compliance with their respective performance contract is maintained, in both hard copy and electronic form, in the Academic and Student Affairs Office of the DHE.

PERFORMANCE CONTRACT REVIEW CALENDAR

Review of the individual Performance Contracts will commence at the April, 2010 meeting of the Commission. Please see the review schedule below:

**Performance Contract Review
Commission Work Plan
2010**

Month/Commission Meeting	Institution/Performance Contract Review
April	Adams State College; Fort Lewis College
May	Mesa State College; Western State College
June	Metropolitan State College of Denver; University of Northern Colorado
July	Colorado Community College System
August	Colorado State University System
September	University of Colorado System
October	Colorado School of Mines